

As you are aware, the American Reinvestment and Recovery Act (commonly referred to as the Economic Stimulus Bill), included some provisions that are meant to strengthen and increase the current Federal requirements for prompt pay of clean claims (clean claims will be finalized no later than 30 days from date of receipt). Although the Kentucky Medicaid program was and continues to be in compliance with prompt pay requirements (clean claims), we have elected to speed up claims payment timeframes to further ensure that we fully meet the new Prompt Pay requirements. Effective with the March 6, 2009 payment cycle, we are reducing the Prudent Pay (Cash Management) days from 19 to 15 days. This means that any of your adjudicated (paid status) claims that are equal to or greater than 15 days old each Friday, based upon receipt date, will be released.

This speed up could result in a larger payment this week, but after the initial increase payments should return to normal levels in subsequent weeks based upon the 15 days. Kentucky Medicaid will continue to keep the provider community informed of any other changes that may be necessary due to the American Reinvestment and Recovery Act (commonly referred to as the Economic Stimulus Bill).